

VIA ECFS

March 17, 2017 Marlene H. Dortch, Secretary, Office of the Secretary Federal Communications Commission 445 12th Street SW Washington, DC 20554

RE: WC Docket No. 14-259
Douglas Services, Inc.
FRN 0001566306
Rural Broadband Experiment Interim Report
15-Month Report and Request for Confidential Treatment

Dear Ms. Dortch,

Douglas Services, Inc. doing business as Douglas Fast Net ("DFN", or the "Company"), Study Area Code 536129, hereby submits its certification, pursuant to Paragraph 75 of the Rural Broadband Experiment Order, of compliance with the 15-month build-out milestone for the above referenced project.

Pursuant to Sections 0.457 and 0.459 of the Commission's Rules², DFN hereby request that the Commission keep confidential and withhold from public inspection the attached exhibits. The attached exhibits are being submitted in both redacted and unredacted versions. Each document that includes confidential information is marked "Confidential, Not for Public Inspection" at the top header of each page. DFN is requesting that the FCC make public only those exhibits that are marked "Redacted." In support, DFN provides the following information:

- 1. *Identification of the specific information for which confidential treatment is requested.*DFN seeks confidential treatment included in the Company's Rural Broadband Experiment Report (Exhibit A).
- 2. Identification of the FCC proceeding in which the information is submitted or a description of the circumstances giving rise to the submission. DFN submits this information in response to Paragraph 75 of the Rural Broadband Experiments Order.

¹ See Connect American Fund, 29 FCC Rcd 8769 (2014) ("Rural Broadband Experiment Order"). ² 47 C.F.R. §§ 0.457, 0.459



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- 3. Explanation of the degree to which the information is commercial or financial or contains a trade secret or is privileged. The Company seeks withholding from public inspection the specific location data (latitude and longitude) of customers in census blocks where DRN is receiving rural broadband experiment support. Information such as this is not routinely made public available. Public disclosure of this information would place DFN at a competitive disadvantage as it would reveal sensitive information about DFN's operations and performance.
- 4. Explanation of the degree to which the information concerns a service that is subject to competition. DFN competes with a variety of large and small broadband providers, both wireline and wireless. Public disclosure of the information would allow current and future competitors to use the information for a competitive advantage.
- 5. Explanation of how disclosure of the information could result in substantial competitive harm. Due to the competitive nature of the broadband marketplace, disclosure of such information would harm DFN's ability to compete. Information such as this would generally not be subject to public inspection and would be guarded from competitors. Competitors could assess the deployment of DFN's facilities, operations, and customers and based upon that information undermine DFN's deployment objectives and ability to compete in the marketplace.
- 6. *Identification of any measures taken by the submitting party to prevent unauthorized disclosure.* The Company protects the secrecy of this information with a security protocol that insures the information is not inadvertently disclosed or disseminated. Only DFN directs, managers and authorized personnel have asses to the information. For the submission and reporting the information, DFN has created both redacted and unredacted versions of the exhibits, thus allowing the public access to non-sensitive information while preserving the confidentiality of the Company's sensitive information.
- 7. Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties. The information which DFN is seeking to preserve as confidential has not been made available to the public or to any third parties other than those who have independent obligations to protect the information, such as counsel and third-party advisors. Only DFN employees and persons directly authorized by DFN have access to such data.
- 8. Justification of the period during which the submitting party asserts that the material should not be available for public disclosure. DFN Seeks to have this material kept



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confidential for the duration of the Rural Broadband Experiment program.

9. Other information that the party requesting confidential treatment believes may be useful in assessing whether its request for confidentiality should be granted. Not applicable

Based on the proceeding, DFN respectfully requests that the Commission grant confidential treatment under Sections 0.457 and 0.459 of the Commission's Rules. Please contact the undersigned if there are any questions regarding this matter.

Sincerely,

Todd Way

Chief Executive Officer Douglas Services, Inc.

cc: Universal Service Administrative Company, High Cost

Douglas Services, Inc. dba Douglas Fast Net FRN: 0001566306 Roseburg, OR (SAC 536129)

Certification of Compliance with Rural Broadband Experiment 15-Month Build-Out Milestone

Douglas Services, Inc. dba Douglas Fast Net ("DFN") submits this Certification pursuant to Paragraph 75 of the Rural Broadband Experiment Order ("REB R&O")¹. Paragraph 75 of the REB R&O states that all recipients of RBE funding that elected the accelerated disbursement option must file evidence within 15 months of their first disbursement that they have deployed to at least 25% of the number required locations. The information provided herein demonstrates DFN's compliance with the Commissions requirements for RBE accelerated funding, and is current as of March 1, 2017.

Background

In the Rural Broadband Experiments, the FCC made \$75 million available for projects seeking to meet very high performance standards. Specifically, the provider would deploy a network capable of delivering 100 Mbps downstream/25 Mbps upstream, while offering at least one service plan that provides 25 Mbps downstream/5 Mbps upstream to all locations within the selected census blocks. Services must be provide usage and pricing comparable to the usage and pricing of comparable services in urban areas, and no latency greater than 100 milliseconds. In addition, the FCC afforded recipients the option of accelerating disbursement of support for winning bidders willing to commit to deploying to at least 25% of the requisite number of location within the first 15 months. DFN was awarded \$2,375,000 in Category One Rural Broadband Experiment Funding to provide service to 2,495 locations in 325 census blocks. DFN's first RBE award was announced on December 11, 2015 and the first disbursement was issued on December 31, 2015. DFN elected the accelerated funding distribution and received the 30% advanced support payment in the first disbursement.

Construction and Deployment to Covered Census Blocks

Douglas Services Inc. has deployed high speed fiber-optic cable to satisfy the high speed requirement of RBE Funding. The fiber-optic cable is buried underground and when necessary pulled through conduit for protection.

Based upon the current fiber deployment DFN has made connections available to the end user premises to 1,042 locations within 148 census blocks. **Exhibit A** provides a detail listing of broadband deployment including census block, latitude/longitude, end user address, and available down/upstream speed.

Evidence of Meeting Public Service Obligations

1. <u>Minimum Speeds:</u> Category One recipients must deploy a network capable of offering 100 Mbps downstream/25 Mbps upstream, and at least one service plan that provides 25 Mbps

¹ See Connect American Fund, 29 FCC Rcd 8769 (2014) ("Rural Broadband Experiment Order").

- downstream/5 Mbps upstream. **Exhibit B** includes screen shots from DFN's website demonstrating that it offers and advertises at least one plan that meets this criterion
- 2. <u>Latency:</u> The REB R&O requires RBE participants to certify that 95 percent or more of all peak period measurements of network round trip latency are at or below 100ms. Based on its own internal testing, DFN certifies that its network latency satisfies this requirement
- 3. Reasonable Comparability Benchmark: Category One recipients must offer voice and broadband service with usage and pricing that is reasonably comparable to the usage and pricing of comparable wireline offerings in urban areas. The current benchmark for basic residential voice service is no more than \$49.51, while the current benchmark for broadband services with speeds of 25 Mbps downstream and 5 Mbps upstream and unlimited usage allowance is \$90.76. Exhibit C contains screenshots from DFN's website demonstrating that DFN's pricing for voice and broadband services satisfies the reasonable comparability benchmark.

I hereby certify under penalty of perjury that the statements set forth in the "Certification of Compliance with Rural Broadband Experiments 15-Month Milestones" are true, to the best of my knowledge, information and belief

Todd Way

Chief Executive Officer Douglas Services, Inc.

3/16/2017

Date

EXHIBIT A

[REDACTED FROM PUBLIC INPSECTION]

EXHIBIT B – Broadband Speed Offerings

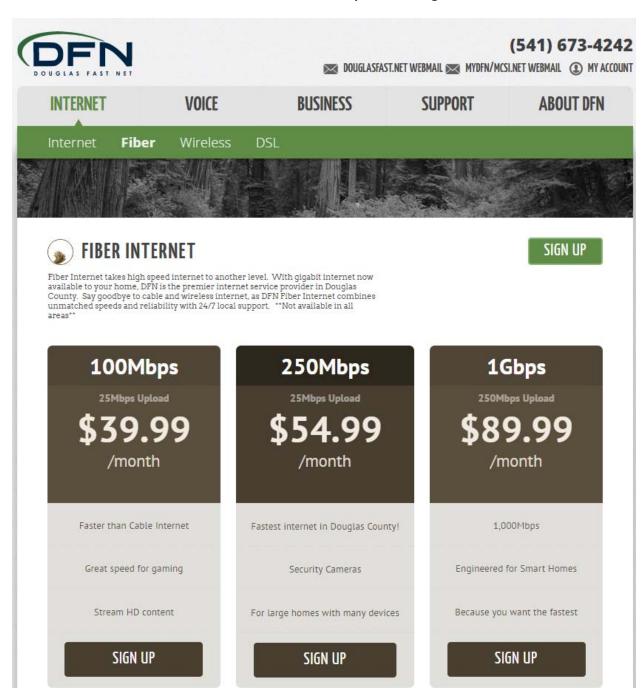


EXHIBIT C - Broadband Pricing

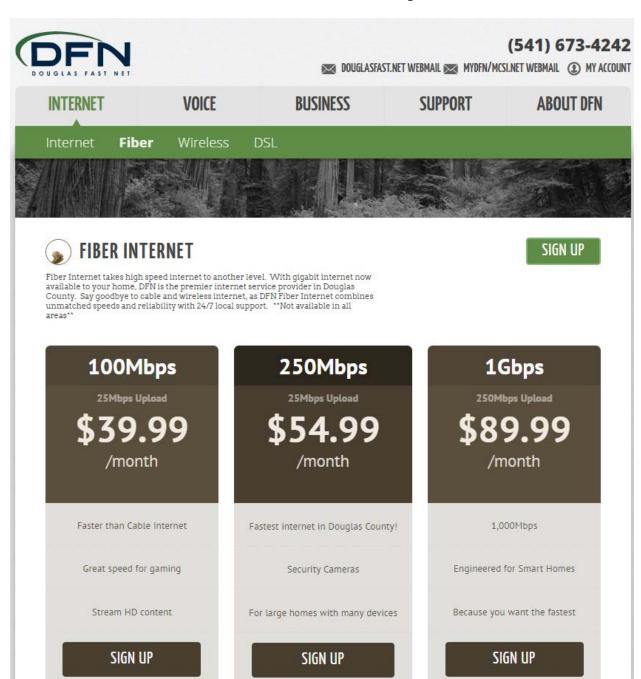


EXHIBIT C (cont.)

